

2005 Idle Equipment, Obsolete Equipment, and Surplus Equipment Report

INSTRUCTIONS: Idle, obsolete and surplus equipment may qualify for additional depreciation. Read the instructions on the reverse side of this form to determine whether your personal property may qualify for treatment as idle, obsolete or surplus equipment. You may also contact your assessor or the State Tax Commission. If you qualify, you must complete this schedule (Form 2698) and attach it to your personal property statement. This schedule is subject to audit. An inspection may be required. Report original total cost of equipment including sales tax, freight and installation. Assets reported on this form (2698) as idle, obsolete or surplus equipment should not be reported at some other place on Form L-4175 (Form 632), *Personal Property Statement*.

Owner's Name		Doing Business As	
Mailing Address (Street or RR#, City, State, ZIP Code)		Business Location (Street or RR#, City or Township, State, ZIP Code)	
Name of Person to Contact	Telephone Number	Parcel Number	

Section A - Including Furniture and Fixtures

Assessor Calculations

2004		.364	
2003		.320	
2002		.276	
2001		.244	
2000		.212	
1999		.188	
1998		.168	
1997		.148	
1996		.132	
1995		.116	
1994		.108	
1993		.096	
1992		.088	
1991		.076	
1990		.048	
Prior		.048	

TOTALS	A1	A2
---------------	-----------	-----------

Section B - Including Machinery and Equipment

Assessor Calculations

2004		.356	
2003		.304	
2002		.268	
2001		.240	
2000		.216	
1999		.196	
1998		.180	
1997		.168	
1996		.152	
1995		.144	
1994		.132	
1993		.124	
1992		.116	
1991		.112	
1990		.092	
Prior		.092	

TOTALS	B1	B2
---------------	-----------	-----------

Section C - Including Rental Videotapes and Games

Assessor Calculations

2004		.304	
2003		.212	
2002		.116	
2001		.020	
Prior		.020	

TOTALS	C1	C2
---------------	-----------	-----------

Section D - Including Office, Electronic, Video and Testing Equipment

Assessor Calculations

2004		.336	
2003		.256	
2002		.220	
2001		.196	
2000		.176	
1999		.164	
1998		.152	
1997		.140	
1996		.132	
1995		.124	
1994		.116	
1993		.112	
1992		.104	
1991		.100	
1990		.068	
Prior		.068	

TOTALS	D1	D2
---------------	-----------	-----------

NOTE: This form continues on the reverse side and must be signed by an owner, partner, corporate officer or duly authorized representative.

**Section E - Including Consumer
Coin Operated Equipment**

Assessor Calculations

2004		.368	
2003		.340	
2002		.308	
2001		.276	
2000		.244	
1999		.216	
1998		.184	
1997		.152	
1996		.120	
1995		.092	
1994		.060	
Prior		.060	
TOTALS	E1		E2

**Cost Grand Total (For Idle, Obsolete
or Surplus Equipment)**

Taxpayer: Add totals from the cost columns of Sections A-F (A1-through F1). Enter grand total and carry to line 13a, page 1, of Form L-4175.

Taxpayer

**Section F - Including Computer
Equipment**

Assessor Calculations

2004		.240	
2003		.176	
2002		.128	
2001		.096	
2000		.076	
1999		.060	
1998		.032	
Prior		.032	
TOTALS	F1		F2

**True Cash Value Grand Total (For Idle,
Obsolete or Surplus Equipment)**

Assessor: Add True Cash Value totals from Sections A-F (A2 through F2) Enter grand total here and carry to line 13b, page 1, of Form L-4175.

Assessor

I, _____, hereby attest that, to the best of my knowledge and belief, all of the property listed on this form is **idle equipment** or **obsolete or surplus equipment** as those terms are defined in the instructions below

Signature	Date	Title (Please print or type)
-----------	------	------------------------------

Must be signed by Owner, Partner or Corporate Officer or duly appointed representative.

INSTRUCTIONS

This form is for use in reporting **idle equipment** and **obsolete or surplus equipment** as defined in these instructions. For purposes of completing this form, the allocation of personal property to Sections A through F shall be made in accordance with the instructions for completion of Sections A through F of Form L-4175 (Form 632), *Personal Property Statement*. Both **idle equipment** and **obsolete or surplus equipment** will be reduced by the assessor to 40% of the value obtained by applying the normal State Tax Commission personal property multipliers to original acquisition costs.

Read the following descriptions of **idle equipment** and **obsolete or surplus equipment** to determine whether your personal property may qualify to be reported on this form. Only property that would otherwise be reported on Sections A-F of Form L-4175, may be claimed as idle or obsolete or surplus equipment.

If you have personal property that qualifies, complete this form and file it with Form L-4175. Assets reported as **idle equipment** or **obsolete or surplus equipment** **should not** be reported on Sections A through F of Form L-4175. You must add the totals from Sections A through F (A-1 through F1) and insert this sum in the "Cost Grand Total" box above. This "Cost Grand Total" must be carried to line 13a of the "Summary and Certification" contained on page 1 of Form L-4175.

Idle Equipment and Obsolete or Surplus Equipment

Idle equipment is equipment that has been disconnected and stored in a separate location. This equipment is not part of an existing process, not even on a standby basis.

Obsolete or surplus equipment is equipment that either:

- Requires rebuilding for continued economic use and is in the possession of a machine rebuilding firm on tax day, or

- Has been declared as surplus by an owner who is abandoning a process or plant and is being disposed of by means of an advertised sale or through an agent. The sale must be an unconditional sale to any and all prospective purchasers rather than being restricted to other divisions of a company.

Equipment cannot qualify as **idle** or **obsolete or surplus** until it has been placed in service. Equipment that is operating on tax day does **not** qualify for treatment as **idle equipment** or **obsolete or surplus equipment**. Standby equipment is not **idle equipment** or **obsolete or surplus equipment**. Standby equipment is equipment that is not usually in use but is ready and immediately on hand for use when needed, e.g., a standby boiler or standby production machines. The allowances for idle or obsolete and surplus equipment are available only in cases where a process has been discontinued or where individual items of property are being liquidated on a piecemeal basis. A process that has been temporarily suspended and/or which is being marketed as a complete process, for continued use at the same location does not qualify for treatment as idle or obsolete and surplus.

Sometimes equipment, for various reasons, is normally not used throughout the year (e.g., Christmas decorations, construction equipment) or is normally used only on an intermittent basis. This type of equipment does **not** qualify for the **idle** or **obsolete or surplus** treatment when it is seasonally or intermittently used.

Sometimes, equipment may be "idle-in-place" because storage in a separate location is not feasible. This might be due to the large size of the equipment involved or the fact that it is underground equipment. Proof should be presented to the assessor that equipment is "idle-in-place."